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5 May 1960

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CENTRAL INTELLIGENCE BULLETIN



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5 MAY 1960

I. THE COMMUNIST BLOC

Moscow, refusing Ben-Gurion visit as "untimely," tells Arabs Cleopatra case is further proof of Zionist influence, Western hatred for UAR.

USSR under pressure to proceed with conflicting Euphrates River projects in Syria and Iraq.

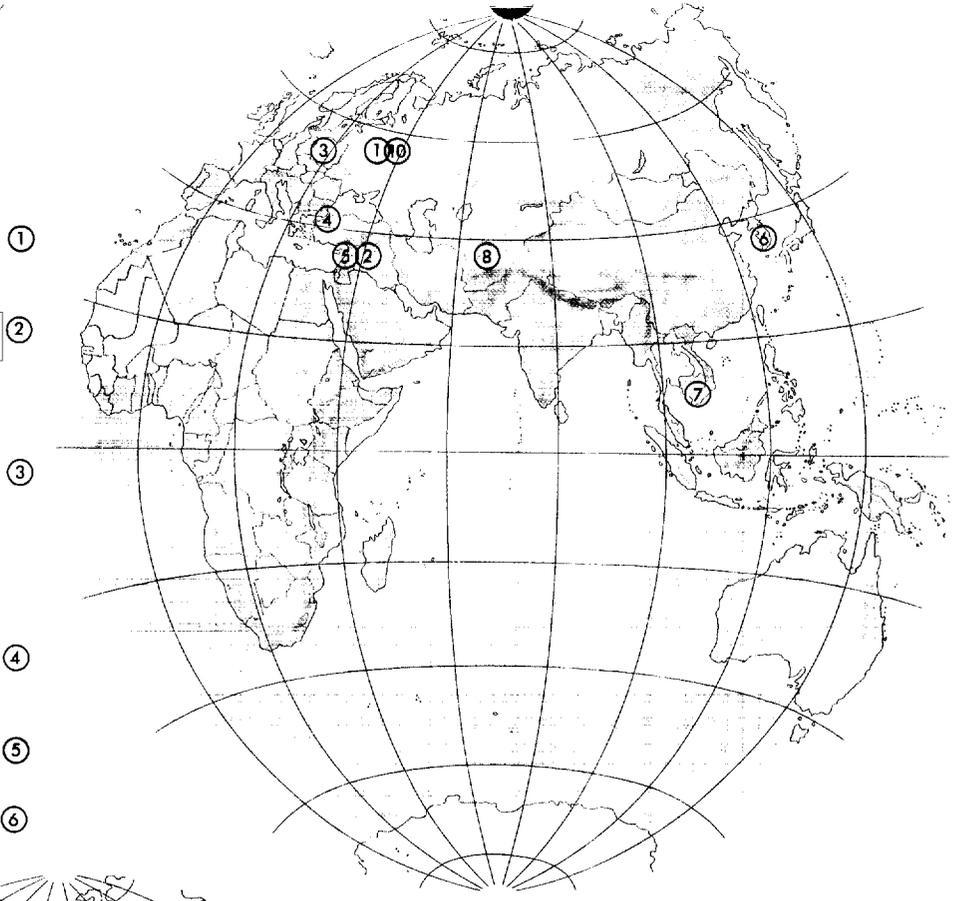
Poland--Reported assignment of Stalinist general to influential party post interpreted as reflection of regime's determination to put down antiregime displays.

II. ASIA-AFRICA

Turkey--Sporadic student demonstrations continue; opposition party expects to be proscribed after NATO meeting ends.

Lebanese election set to start 12 June despite continuing Christian-Moslem tension.

Liberal party moving to reassert itself in South Korea.



⑦ South Vietnam--Criticism of Diem's authoritarianism is increasingly open.

⑧ Soviet technicians tap substantial oil deposits in northern Afghanistan.

III. THE WEST

⑨ Trujillo's relations with Church appear near breaking point.

LATE ITEM

⑩ USSR--Soviet personnel changes strengthen Kozlov's position as Khrushchev's successor.

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CENTRAL INTELLIGENCE BULLETIN

5 May 1960

DAILY BRIEF

I. THE COMMUNIST BLOC

USSR--Arab Boycott: Moscow, apparently seizing the opportunity afforded by the Arab boycott, has announced that it has turned down as "untimely" an Israeli bid, made in late March, for Ben-Gurion to visit the USSR. Soviet radio propaganda to Arab countries is charging that Zionist influence is behind the refusal to unload the Cleopatra and that the dispute is "further proof" of Western "hatred for the UAR." [redacted] (Page 1)

USSR - Middle East: The Soviet Union, which is committed to assist in projects for the development of the Euphrates River in both Syria and Iraq, may soon find itself involved in UAR-Iraqi rivalry over the utilization of the river's waters. Moscow is trying to promote an amicable settlement before proceeding with construction, but both Cairo and Baghdad may insist that the Soviet Union carry out the planned projects in their respective countries with or without a settlement. [redacted] (Page 2)

Poland: [General Kazimierz Witaszewski, a greatly feared and despised Stalinist who was virtually exiled after the victory of the Gomulka forces in 1956, has reportedly been appointed to a high party post which exercises major influence over military and security forces, the police, and the courts. The report of his appointment has provoked alarm among Polish intellectuals and party moderates, and may reflect the growing ascendancy of hard-line elements within the party. It would also reflect the regime's determination to deal firmly with any future expressions of popular discontent; the demonstrations at Nowa Huta and Olsztyn last week and at Poznan in February revealed the ease with which popular feelings can be aroused.] [redacted] (Page 3)

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II. ASIA-AFRICA

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Turkey: [Sporadic student demonstrations continued in Turkish cities through 4 May. Many students have been arrested in Istanbul, but morale apparently remains high and more demonstrations are possible. Members of the opposition Republic People's party expect the party to be proscribed and its leaders arrested, now that the NATO Ministerial Council meeting has ended.] (Page 4)

NO
Lebanon: President Shihab told the American ambassador on 3 May that in spite of renewed Christian-Moslem tension, elections will begin on 12 June and be held on three successive Sundays. Shihab plans to name a caretaker government to replace the Karami cabinet and carry out the elections. The setting of voting dates will intensify political maneuvering and may precipitate clashes.

Shihab intends to interrogate a top UAR representative about "what he calls the truth of our position on Lebanon," presumably a reference to possible UAR intentions in regard to the election campaign.

NO
South Korea: Rhee's Liberal party, after virtually abandoning its leadership in the National Assembly following the overthrow of the regime, now may be moving to reassert itself in the highly fluid political situation. There are also indications that a Liberal minority may be maneuvering for a return of Rhee, possibly as president under the new parliamentary system which the assembly has taken the lead in developing. The student protest movement has not as yet evolved a unified organization or leadership, and an unstable multiple-party situation might emerge.

(Page 5)

NO
South Vietnam: [The Diem regime is coming under increasingly open criticism in the relatively small circles of informed Vietnamese for its authoritarianism. Blame for maladministration, corruption, and dictatorial practices has centered in the past]

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DAILY BRIEF

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On the President's close entourage, particularly on his brother Nhu, but now is shifting more directly to Diem himself. Nhu heads the regime's chosen political instrument, the corrupt Cao Lao organization, and is also a principal architect of South Vietnam's ventures against Cambodian leader Sihanouk.

(Page 6)

NO

Afghanistan-USSR: The Afghan Government has confirmed that substantial oil deposits have been discovered in northern Afghanistan near the Soviet border by the Soviet team exploring the area under the January 1958 assistance agreement. Although Foreign Minister Naim has expressed an interest in finding oil markets in the West, transportation difficulties make it almost certain that the crude oil will be exported to the USSR for refining, at least until there is a refinery in the area. Naim has already shown concern that exploitation of the oil may increase Afghan dependence on the USSR.

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III. THE WEST

Dominican Republic: A break in relations between Generalissimo Trujillo and the church may be imminent. On 3 May the US Embassy reported that it now is apparent that Trujillo has launched a strong antichurch program inside the country.

Trujillo

ask the Vatican to intercede with the local hierarchy, which has been denouncing his regime's violation of human rights.

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LATE ITEM

*USSR: The Soviet leadership has undergone the most extensive personnel shift since the defeat of the Malenkov-Molotov "anti-party" group in 1957. The evidence indicates that the changes were made at Khrushchev's direction. The net result is that the Khrushchev-Mikoyan-Kozlov team is still prominently in the forefront and that Kozlov's position as Khrushchev's designated successor has been strengthened.

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DAILY BRIEF

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IV. WATCH COMMITTEE CONCLUSIONS

[On the basis of findings by its Watch Committee, the United States Intelligence Board concludes that:]

- A. [No Sino-Soviet bloc country intends to initiate hostilities against the continental US or its possessions in the immediate future.]
- B. [No Sino-Soviet bloc country intends deliberately to initiate direct military action against US forces abroad, US allies, or areas peripheral to the orbit in the immediate future.]
- C. [The following developments are susceptible of direct exploitation by Soviet/Communist hostile action which could jeopardize the security of the US in the immediate future:]

[None.]

5 May 60

DAILY BRIEF

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I. THE COMMUNIST BLOC

USSR Rejects Bid for Ben-Gurion Visit

Moscow, in keeping with its continuing campaign to convince the Arabs that the Soviet Union is their big-power protector against a Western-supported Israel, has announced that it turned down as "untimely" an Israeli bid, made in late March, for Ben-Gurion to visit the Soviet Union. The Israeli prime minister had hoped to meet with Khrushchev as part of his series of talks with government leaders who will attend the summit meeting in May.

The Soviet refusal appears to have been timed to take full advantage of the propaganda opportunities afforded by the Arab shipping boycott. Radio Moscow, in propaganda to Arab audiences, declared on 3 May that Zionist influence in the United States is behind the refusal of union labor in New York to unload the UAR ship Cleopatra. Censuring the amendment to the US foreign aid bill which was stimulated by the boycott, the commentator asserted that the dispute is "further proof" of Western "hatred for the UAR," which he termed a "long-term political trend." In contrast the broadcast cited Moscow's economic aid policies as contributing to the establishment of "independent" national economies.

Soviet leaders have gone on record repeatedly as favoring contacts on the head-of-government level, and the public refusal of a visit by Ben-Gurion shows that the USSR is prepared to reject such a meeting when it conflicts with Soviet policy objectives. [REDACTED]

[REDACTED] Soviet Foreign Minister Gromyko on 9 April turned down a meeting between the Shah and Khrushchev in Austria after the summit talks on the ground that such conversations must have as their "purpose" Iranian agreement to Soviet demands for a guarantee against foreign military bases in Iran. [REDACTED]

[REDACTED]

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Soviet Economic Aid Conflicts in the Middle East

Moscow may be confronted shortly with an awkward situation arising out of its apparently conflicting economic aid commitments to the UAR and Iraq. Under its economic aid agreement with Damascus signed in 1957--before the Iraqi revolution--the USSR is to construct an irrigation and hydroelectric dam on the Euphrates River in Syria. Now, however, the Soviet Union also plans to build two dams, mainly for irrigation, on the same river in Iraq under its 1959 economic aid agreement with Baghdad.

At present there is no UAR-Iraqi agreement on the division of the Euphrates waters, and, in an effort to avoid future serious embarrassment, Moscow recently advised the UAR of the need for such an agreement before actual construction work is begun. It is unlikely, however, that an amicable accord will be reached in the near future.

Should the USSR now stall on its Syrian project, this would seriously damage Moscow's prestige in Cairo. On the other hand, Moscow presumably is well aware of Iraqi Prime Minister Qasim's opposition to the UAR's unilateral plans for utilization of the Euphrates. The Soviet Union probably will continue initial survey work for the river projects in Iraq, in order not to give Baghdad cause for further disenchantment with the Soviet aid program. [REDACTED]

[REDACTED]

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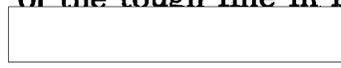
Stalinist Appointed to High Party Post in Poland

[General Kazimierz Witaszewski reportedly has been appointed director of the recently reactivated administrative section of the Polish party central committee, which controls party cadres in the government. Such an appointment would give him a role in the execution of policy relating to Polish military and security forces, the police, and the courts.]

[Witaszewski is a well-known Stalinist who was "exiled" to Czechoslovakia as military attaché following Gomulka's return to power in 1956 but recalled for an assignment with military intelligence in the fall of 1959. The transfer of Witaszewski to this powerful position in the party apparatus may reflect a growing ascendancy of hard-line elements within the party hierarchy and the regime's intention to deal firmly with all manifestations of antiregime attitudes. Gomulka--either of his own volition or as the result of prodding by elements of the party or the USSR--may have thought it necessary to re-activate the administrative section of the central committee apparatus and place a strong man at its head.]

[There appears to be a definite lack of strong, decisive leadership in the Polish party and government, and the populace is becoming demoralized by the regime's inability to cope with the country's many problems. The clashes with police over religious issues in Nowa Huta and Olsztyn last week and worker demonstrations in Poznan in February illustrate how easily popular feelings can erupt, even over purely local matters.]

[Witaszewski, who received his nickname "Gaspipes" as a result of his advocacy of brutal suppressive measures during the Poznan riots of June 1956, is generally regarded by the Polish people, particularly the intellectuals, as the symbol of the tough line in internal matters.]



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II. ASIA-AFRICA

Turkish Demonstrations

Sporadic student demonstrations continued in Turkish cities through 4 May, but security forces now appear to have control of the situation. Student leaders have been arrested in Istanbul, where the major rioting took place. [Reports indicate that some have been beaten in attempts to extract confessions that the demonstrations were planned as a means to sabotage the NATO Ministerial Council meeting in Istanbul from 2 to 4 May.] While their numbers have been reduced by arrests and the police appear to have successfully penetrated their ranks, the students seem determined to continue their struggle; new incidents are possible. [According to recent reports, the students in Istanbul are also preparing a petition listing their grievances for submission to the United Nations Commission on Human Rights.]

There are indications that the government is about to take new and possibly drastic action against its political opposition. Premier Menderes has denounced the Republican People's party (RPP) for sponsoring "open rebellion"--despite denial of RPP involvement in the riots by both party spokesmen and student leaders. Important press organs of the RPP have been closed, and opposition newspapermen have been taken into custody. Several local leaders of the RPP reportedly have been arrested, and other RPP spokesmen have been interrogated by the Grand National Assembly's "Committee of Fifteen"--created in mid-April to investigate the party's "illegal and subversive" actions.

While no national RPP leader has yet been arrested, opposition spokesmen believe such arrests are imminent and expect the government to ban the party. The RPP already has drawn up plans to go underground if it is proscribed. In the event of severe reprisals, opposition leaders may ask for political asylum in foreign embassies. [redacted]

~~CONFIDENTIAL~~Rhee's Party May Be Seeking to Reassert Control in South Korea

[Syngman Rhee's Liberal party, after virtually abdicating its leadership in the National Assembly immediately following the overthrow of the regime, may be moving to reassert its majority position in the highly fluid political situation in South Korea. At the same time, the party is resisting student demands for immediate dissolution of the assembly and the holding of general elections, and is attempting instead to devise a constitutional provision for a government system--with a premier and cabinet responsible to the assembly--which would preserve Liberal control. The opposition Democrats, equally unwilling to surrender the assembly's newly acquired power and hesitant to face elections under present circumstances, are also supporting constitutional amendment as a prior step.]

[There are also indications that a minority group in the Liberal party may be maneuvering to make possible Rhee's return as president under a new cabinet system. Vice President and Democratic party leader Chang Myon, while not indicating support for such a move, favors indirect election of the president by the assembly. Some loyal Rhee supporters, apparently impressed by the strong public affection shown for Rhee following his resignation, are advocating an immediate presidential election to test popular feeling.]

[It is not clear which course public opinion favors. A majority of the press is supporting constitutional revision as the first step, but student demonstrators in major cities continue to demand the assembly's immediate dissolution. The student movement is attempting to evolve a unified organization and leadership, but has not yet succeeded.]

[Preparations already are under way for the formation or revival of a number of minor parties from the Progressive party on the left to the militant National Youth Corps on the right. An unstable multiple-party situation may develop. The army seems intent on adopting stiffer measures than heretofore to cope with demonstrations.]

~~CONFIDENTIAL~~

~~SECRET~~Growing Criticism of Diem Regime in South Vietnam

[The Diem regime in South Vietnam, in addition to facing a serious challenge from resurgent Communist guerrilla forces, is also under increasingly open criticism in the relatively small circles of informed Vietnamese for its authoritarianism. Resentment over various malpractices is felt throughout the country's political and military substructure. Various Vietnamese officials, including several cabinet members and Vice President Nguyen Ngoc Tho, have expressed apprehension about the government's future stability unless political reforms are speedily effected.]

[Ngo Dinh Nhu, the President's brother and chief political adviser, is a major cause of resentment. As leader of the semicovert, corrupt, and pervasive Can Lao organization, Nhu has gradually fashioned over the years a commissar-like network which, on Diem's behalf, exercises the real power and control in the government. He also is a principal architect of South Vietnam's clandestine efforts to unseat Cambodian leader Sihanouk, who, as a result, has become suspicious of the West and is looking increasingly to Peiping for support.]

[Blame for maladministration, corruption, and dictatorial practices has centered in the past on the President's close entourage, but now is shifting more and more to Diem himself. Diem is taking some steps to curb the excesses of provincial officials so as to undercut Communist subversion in rural areas. Thus far, however, he has refused to disavow his inner circle of advisers, and tends to attribute criticism of his regime to the work of Communists or disgruntled political "outs." Despite signs of increasing opposition to his narrowly based government, such as the petition for political reforms made public in Saigon a few days ago by a group of former Vietnamese officials, Diem probably will maintain his position that the exigencies of the times preclude more democratic practices.]

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~~SECRET~~Oil Discovered in Afghanistan

[The Afghan Government has confirmed that substantial oil deposits have been discovered at Shibargan in north-central Afghanistan some 40 miles from the Soviet border. A team of more than 200 bloc technicians has been exploring in the area under the terms of the \$15,000,000 Soviet oil exploration assistance agreement signed in January 1958. The Afghan minister of commerce says the area now being tapped is estimated to contain 45,000,000 tons of high-quality oil. The total extent of the field is believed much broader but is still unknown. A senior member of the Soviet team estimates the field also contains 22 billion cubic meters of gas under pressure.]

[Kabul presumably hopes that oil exports will greatly improve its international trade position in general and will increase its capacity to discharge its debts to the USSR in particular. Foreign exchange previously used to pay for imported petroleum products imports will probably be diverted to purchase more machinery and other capital goods abroad to develop the national economy. Prime Minister Daud, who has been visiting the USSR since 14 April, will almost certainly include oil exploitation in his discussions with Soviet officials about assistance for Afghanistan's Second Five-Year Plan (1961-1966). He now may feel that Afghanistan will be better able to repay additional loans, and relax his policy of accepting only grants.]

[Although Foreign Minister Naim has expressed an interest in finding markets in the West, transportation difficulties make it virtually certain that Western companies will not be interested and that the crude oil will be exported to the USSR for refining, at least until the Afghans are able to have a refinery constructed in the area. The USSR in the past has objected to free-world activity in northern Afghanistan near its borders, and it may offer to build a refinery for the Afghans. The USSR does not need the Afghan oil exports, but may accept them for political reasons. Naim has already shown concern that exploitation of the oil may increase Afghan dependence on the the USSR.]

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III. THE WEST

Dominican Republic's Relations With Catholic Church
Deteriorating Rapidly

A break in relations between Dominican dictator Trujillo and the Catholic Church may be imminent. The US Embassy on 3 May reported that it now is apparent that Trujillo has launched a strong antichurch program inside the country. The local church hierarchy has been denouncing his regime since January for violations of human rights, and all segments appear to be becoming more militant in opposition to Trujillo. [redacted] he is considering terminating the church-state concordat. [redacted] Trujillo cabled his embassy to the Holy See on 28 April to ask the Vatican to intercede with the local hierarchy. [redacted]

The Immigration Service on 2 May canceled a resident permit held by Monsignor Thomas J. Reilly, an American citizen and one of the most vocal critics among the six Catholic bishops in the Dominican Republic. The next day, however, Reilly was summoned by Generalissimo Trujillo, who reversed the order expelling Reilly and 15 Spanish priests. Reilly told Ambassador Farland that the Generalissimo might do "anything" in his present state of mind, and he feared that widespread press coverage of the incident could precipitate violence by Trujillo agents against the clergy. The dictator told Reilly that he was anxious to have good relations with him and that he would transfer a general assigned in the San Juan area who allegedly had said, "If they begin to hang priests, save Reilly for me." [redacted]

The Generalissimo probably believes that he can control Reilly if the Vatican honors his request made on 3 May to have Monsignor Beras--whom Trujillo believes to be responsive to his demands--appointed archbishop. However, the embassy believes that the church has gained so much local prestige in opposing the dictator that it cannot afford to compromise without risking a popular setback. [redacted]

[redacted]

~~TOP SECRET~~ [redacted]

~~SECRET~~**LATE ITEM****Khrushchev Shakes Up Top Soviet Leadership**

The Soviet party central committee, meeting on 4 May, made extensive changes in the top party and government leadership. The evidence indicates that the changes were made at Khrushchev's direction.

Frol Kozlov, whom Khrushchev said last year would be his successor, has been moved into the party secretariat and has relinquished his job as a first deputy premier. This move will give Kozlov the opportunity to gain control over the hard core of party professionals. In addition, the secretariat has been reduced from a 10-man body to a tight group of six, a size reminiscent of the Stalin era.

Four old members of the party secretariat have been transferred out, but remain on the party presidium. With the obvious exception of Khrushchev, Suslov appears to be the only remaining party secretary who might have the semblance of an independent voice.

The net result is that the Khrushchev-Mikoyan-Kozlov team appears to be stronger than ever.

In other significant changes, three presidium candidates-- Aleksey Kosygin, Nikolay Podgorny and Dmitry Polyansky-- were promoted to full membership in the presidium. Kosygin and Polyansky particularly had been mentioned frequently as rising stars on Khrushchev's team.

The central committee also fired Aleksey Kirichenko and Nikolay Belyayev from the presidium, thus formalizing their demotion earlier this year when they were assigned to remote provincial posts.

The principal shifts in the government were the promotion of Kosygin from Deputy Premier and USSR economic planning chief to Kozlov's old job as one of the two First Deputy Premiers. Mikoyan remains the other First Deputy Premier. Kosygin in turn was succeeded by Vladimir Novikov who worked for a time

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in Leningrad, Kozlov's old bailiwick. For the past year he has been the chief economic planner in the Russian republic (RSFSR).

The Soviet announcement also stated that the central committee had discussed matters pertaining to today's Supreme Soviet session. Khrushchev has told a group of foreign ambassadors that he will make a major speech at this session.

Khrushchev also told the foreign diplomats that the central committee would consider "constitutional questions"-- which would then have to be formalized by the Supreme Soviet-- and there has been talk in Moscow that the office of President of the USSR would be created. Khrushchev may desire the constitutional change so he could become chief of state, officially, as a demonstration that the Soviet people were solidly behind him as he goes into the Summit meetings.

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~~CONFIDENTIAL~~**THE PRESIDENT****The Vice President****Executive Offices of the White House**

Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

Director, Office of Civil and Defense Mobilization

Director, National Aeronautics and Space Administration

Special Assistant for Security Operations Coordination

Chairman, Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Administration

The Counselor

Director, International Cooperation Administration

The Director of Intelligence and Research

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

Assistant Secretary of Defense for International Security Affairs

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Chairman, The Joint Chiefs of Staff

The Director, The Joint Staff

Chief of Staff, United States Army

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Commandant, United States Marine Corps

Assistant to Secretary of Defense for Special Operations

Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of Army

Director of Naval Intelligence, Department of Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Department of Commerce

The Secretary of Commerce

Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director

National Indications Center

The Director

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